

Addressing Regional Housing Needs

Overview of RHNA
Planning Considerations
and Requirements

Joseph Carreras
Project Manager

REGIONAL
HOUSING
NEEDS
ASSESSMENT

Goals of RHNA

- **Compliance** with the law
- **Accuracy** of the projections
- **Consensus** of results on a uniform basis
- **Fairness** of the process, allocation and assessment
- **Transparency** so results are clear
- **Link** transportation and housing planning

What not to consider

Factors Not to Consider in Allocating Shares of Regional Housing Needs

- Certain Growth Controls
- Existing General Plan and Current Zoning

Lower Income Needs

"A community may establish its maximum number of housing units by income category...

...below the number of housing units that would meet the community's share of the regional housing needs, if the community finds that its available resources...

...are insufficient to meet those needs."

Attorney General Bill Lockyer - May 19, 2005

Social Housing Needs

Census 2000

Existing Housing Problem Indicators



Homelessness



Overcrowding



Substandard
Housing



Overpaying
Households

Defining Need & Diversity Goals

Current Income Distribution
of a Community



Proportions of Lower
Income Households



Fair Share Adjustment for
Impact Avoidance



Affordable Housing Goals
by Income Category

Construction Needs

2005 -2014

Employment and
Population Growth



Population, Aging,
Ethnicity, and Growth



Household Formation



Tenure Choice
(rent or own)



Expected
Household
Growth by Tenure

+

Replacement of
Units Lost



Correction for
Desired Vacancies



Adjustment of
Housing Stock

=

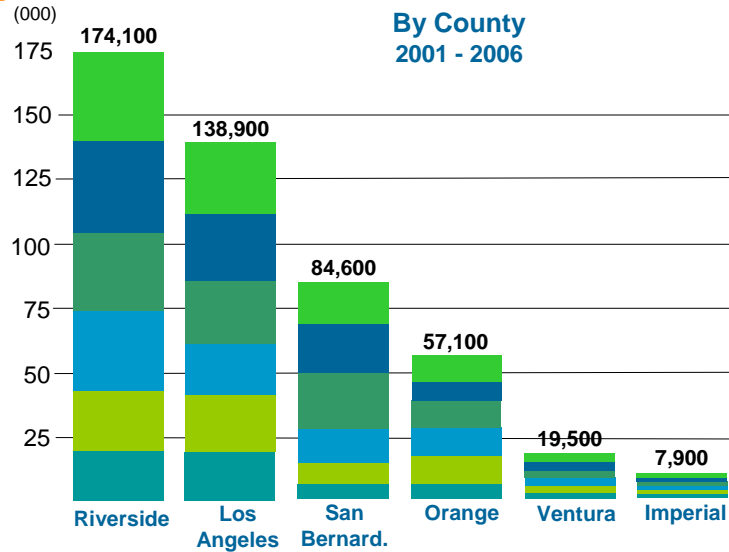
Construction
Needs

The Calculation

Building Permits

**Six-Year
Annual
Average:
81,000**

YEAR	In Thousands
2006	95,000
2005	91,000
2004	93,400
2003	78,500
2002	68,200
2001	58,600



Long Range Forecast

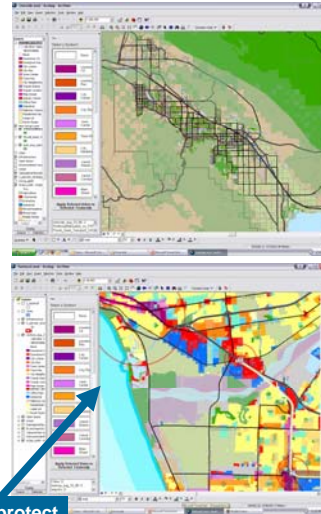
<u>Period</u>	<u>Units/Year</u>
2005-2014	83,000
2015-2030	80,000
2030-2035	67,000

Long Range Housing Forecast Based on Population and Employment Growth

Use of AB 2158 Planning Factors

Factors include:

- Lands preserved under existing federal and state programs, County policies to preserve agricultural land.
- Distribution of growth assumed for a regional transportation plans
- The market demand for housing
- County policies to preserve prime agricultural land within in unincorporated area
- The loss of units contained in assisted housing developments.



Use of GIS to map and protect agricultural, open space, etc

Use of AB 2158 Planning Factors

- Jobs-housing balance
- Lack of sewer or water service due to federal and state laws, regulations or regulatory actions, or supply and distribution decisions
- Availability of land suitable for urban development or for conversion to residential use;
- County policies to preserve Agriculture
- Housing Cost Burdens
- Needs of farm workers
- Other considerations as adopted by SCAG.

Factors and use of integrated growth forecast at a regional level define a longer term approach to housing planning

Distribution Guidance

1. Application of AB 2158 factors must not reduce overall need or need by income category
2. AB 2158 factors are the basis for determining development suitability between jurisdictions
3. AB 2158 factors are the basis for appeals
4. Alternative distributions may be proposed
5. Trade and transfer may occur between localities and subregions
6. Incentives to accept more than minimum

Clarification

Need Assessment

Population in households

- Household growth
- Optimal effective vacancy rates by tenure
- Normal replacement rates
- Income group needs allocated across jurisdictions

Growth Forecast

Total Population

- Household growth
- Total vacancy need based on past trends
- Building type breakdown

Household growth is the key determinate in both approaches

Calculation

Going from Household Growth to Construction Need

2005-2014 Household Growth	684,000*
Vacant Units Need (2.7%) <small>Census Vacancy Rate</small>	19,000
Replacement Need <small>100% of DOF Demolition Permits</small>	<u>29,000</u>
Total Housing Construction Need	733,000
Annual Construction Need	81,000

*SCAG 2007 Draft RTP Integrated Growth Forecast

Income Distribution

	SCAG REGION 2000	
	Households	Percent
Very Low	1,280,044	24%
Low	874,538	16%
Moderate	971,168	18%
Above Moderate	2,265,239	42%
TOTAL	5,390,989	100%

Diversity Goals

2005 - 2014

	Total Construction Need (9 Years)	Annual Construction Need	Housing Goal
Very Low	175,850	19,539	24%
Low	117,234	13,026	16%
Moderate	131,888	14,654	18%
Above Moderate	307,738	34,193	42%
TOTAL	732,710	81,412	100%

Fair Share Guidance

- Allocation of a lower proportion of need by income category when the proportion exceeds the county average
- The housing statute calls for the allocation methodology to avoid or mitigate the over concentration of very low and low income groups

Key Policy Issues

1. Recommend a Fair Share Policy to avoid over concentration of households by income group
 - 110% of the Way Policy toward equivalency with the County income group distribution
2. Guidance on how to consider AB 2158 factors in the distribution of housing need
 - Housing Cost – Adopt a higher future need effective vacancy rate in non-impacted localities (3.5% vs. census vacancy rate)
 - Loss of Assisted Units – Provide Units at Risk data
 - Farm Worker Needs – Provide data

Key Policy Issues

3. Recommend an Appeals policy to guide alternative distributions, trade and transfer and redistribution of appealed units

Methodology & Policy Input

Written comments accepted up to adoption of final RHNA methodology:

- AB 2158 distribution factors
- RHNA fair share policy, etc.

Send to:

Joseph Carreras, Project Manager
SCAG/ Regional Housing Needs Assessment
818 W. 7th St., 12th floor
Los Angeles, CA 90017

Opportunity for Input

- Noticed Public Hearings on RHNA Methodology
- Noticed Subregional Workshops
- Feedback at CEHD policy & subcommittee meetings on RHNA issues
- Requested briefings by RHNA staff
- RHNA web link on the SCAG home page - <http://www.scag.ca.gov>
- Call us...Ma'Ayn Johnson 213.236.1975
- Email...Johnson@scag.ca.gov

